

FACT SHEET

July 2020

INVESTMENT OBJECTIVE

The ARM Ethical Fund is an open-ended fund designed to enable investors acquire holdings in line with ethical Islamic investment principles.

The primary objective of the Fund is to achieve long-term capital appreciation and income distribution through investments in a select portfolio of securities and assets in accordance with the principles of Islamic finance and ethical values. The Fund is suitable for investors who:

1. wish to achieve long-term capital growth on their investments
2. have a high investment risk appetite Funds Investment Policy

INVESTMENT POLICY

The Fund reflects ARM Investment Manager's value-oriented approach to investment management. We seek investments that are trading below their intrinsic value, thereby creating opportunities for superior and consistent returns over the long-term. The principles and tenets of Shari'ah law will be upheld through the structure of the Fund which entails a disciplined investment process, an Advisory Board and an Investment Committee, comprising Shari'ah advisers with knowledge and expertise in Islamic investments.

The Fund will invest only in Shari'ah compliant stocks, and other asset classes. Specifically, the Fund is designed to exclude all forms of "riba or interest" from all its investment operations and prohibits investments in businesses that are inconsistent with Islamic principles, such as gambling, tobacco, alcohol, ammunition, sale or purchase of pork and all forms of adult entertainment.

BENCHMARK

The benchmark is a composite of 30% Lotus Islamic Index, 60% Lotus Halal Fixed Income Fund and 10% Skye Shelter Fund Return

MARKET REVIEW

Equities

- The equity market returned +0.88% in July 2020 (-8.00% YTD), rebounding partially after the negative performance recorded in June. The performance was largely driven by gains in Wapco (+18%), Dangcem (+12%) and AirtelAfrica (+6%).
- Trading activities began the month on a bearish note. However, due to buoyant financial system liquidity, investors sought to invest idle funds in the equities market.
- The performance was supported by gains in the Cement (+8.83%) and Telecoms (+2.30%) sectors, despite the losses recorded in the Oil & Gas (-26.82%), Personal Care (-14.76%), Brewers (-13.61%) and Construction (-13.58%) sectors.

Key Facts

The ARM Ethical Fund is a Shari'ah compliant open-ended Islamic Fund.

Fund Structure: Open-ended

Size of Fund: ₦265mn

Initial Investment Amount: ₦10,000

Financial Year End: 31st December

Nominal value: ₦20.00 per unit

Management Fees: 1.5%

Trustees: Royal Exchange Plc

Registrars: First Registrars Ltd

Asset Allocation

Equities	20% - 40%
Real Estate	10% - 50%
Other Investments	10% - 70%

Contact Details

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